

**SAN DIEGO REGIONAL COMMUNITY CHOICE ENERGY AUTHORITY
BOARD OF DIRECTORS**

Chula Vista Council Chambers
276 Fourth Avenue, Building A
Chula Vista, CA 91910

MINUTES

November 21, 2019

The Board minutes are prepared and ordered to correspond to the Board Agenda. Agenda Items can be taken out of order during the meeting.

The Agenda Items were considered in the order presented.

1. Welcome

Interim Chair Mosca called the San Diego Regional Community Choice Energy Authority (Authority) Board of Directors meeting to order at 2:12 p.m.

2. Board Roll Call

PRESENT: Interim Chair Mosca (Encinitas), Board Member Baber (La Mesa), Alternate Board Member McCann (Chula Vista), and Board Member Montgomery (San Diego)

ABSENT: Board Member Padilla (Chula Vista), Board Member West (Imperial Beach)

Also Present: Alternate Board Member Campbell (San Diego), Alternate Board Member Humora (La Mesa), Interim Executive Officer Hooven, La Mesa City Clerk Wiegelman

Interim Chair Mosca led the Pledge of Allegiance.

3. Public Comment For Items Not on the Agenda

Matthew Vasilakis, Climate Action Campaign, spoke regarding East Bay Community Energy's Local Development Business Plan and the Authority creating a similar plan in the future.

CONSENT AGENDA

4. Approval of minutes from October 31, 2019 Board Meeting

ACTION: Motioned by Board Member Baber (La Mesa) and seconded by Board Member Montgomery (San Diego) to approve the minutes for the San Diego Regional Community Choice Energy Authority Board of Directors meeting held Thursday, October 31, 2019. The motion carried by the following vote:

Vote: 4-0

Yes: Interim Chair Mosca (Encinitas), Board Member Baber (La Mesa), Alternate Board Member McCann (Chula Vista), and Board Member Montgomery (San Diego)

No: None

Abstained: None

Absent: Board Member West (Imperial Beach)

REGULAR AGENDA

5. Election of Board Chair and Vice Chair and Appointment of Interim Secretary

ACTION: Motioned by Board Member Baber (La Mesa) and seconded by Alternate Board Member McCann (Chula Vista) to approve the appointment of La Mesa City Clerk Megan Wiegelman as the Interim Board Clerk of the San Diego Regional Community Choice Energy Authority Board of Directors. The motion carried by the following vote:

Vote: 4-0

Yes: Interim Chair Mosca (Encinitas), Board Member Baber (La Mesa), Alternate Board Member McCann (Chula Vista), and Board Member Montgomery (San Diego)

No: None

Abstained: None

Absent: Board Member West (Imperial Beach)

ACTION: Motioned by Board Member Baber (La Mesa) and seconded by Alternate Board Member McCann (Chula Vista) to approve the appointment of Interim Chair Mosca (Encinitas) as the Chair of the San Diego Regional Community Choice Energy Authority Board of Directors. The motion carried by the following vote:

Vote: 4-0

Yes: Interim Chair Mosca (Encinitas), Board Member Baber (La Mesa), Alternate Board Member McCann (Chula Vista), and Board Member Montgomery (San Diego)

No: None

Abstained: None

Absent: Board Member West (Imperial Beach)

ACTION: Following discussion, it was the consensus of the Board to direct staff to bring back for Board consideration policy options for the rotation of Chair and Vice Chair.

ACTION: Motioned by Chair Mosca (Encinitas) and seconded by Alternate Board Member McCann (Chula Vista) to approve the appointment of Board Member Padilla (Chula Vista) as the Vice Chair of the San Diego Regional Community Choice Energy Authority Board of Directors. The motion carried by the following vote:

Vote: 4-0

Yes: Chair Mosca (Encinitas), Board Member Baber (La Mesa), Alternate Board Member McCann (Chula Vista), and Board Member Montgomery (San Diego)

No: None
Abstained: None
Absent: Board Member West (Imperial Beach)

6. SDRCCEA Operations and Administration Report

Interim Executive Officer Hooven provided operational and administrative updates to the Board including current and future requests for proposals and future items for Board consideration.

Board questions and comments ensued.

ACTION: Following discussion, it was the consensus of the Board to direct staff to bring back for discussion the formation of necessary and plausible San Diego Regional Community Choice Energy Authority standing committees, a proposed policy on the role of alternate board members, and a summary of the best practices and standing committees of other Community Choice Aggregations.

Shawn Marshall, Executive Director, Lean Energy US, provided advice on how to move forward with the formation of standing committees.

Following Board questions and comments, no action was taken.

7. Approval of Legal Service Engagement for General Counsel

Interim Executive Officer Hooven provided an overview of the proposed agreement between the Authority and Best Best & Krieger (BB&K) for General Counsel legal services.

Board questions and comments ensued.

Ryan Baron, BB&K, Counsel, and Nicholas Norvell, BB&K, Associate, introduced themselves and explained BB&K's process to determine potential conflicts of interest.

Board questions and comments continued.

ACTION: Motioned by Alternate Board Member McCann (Chula Vista) and seconded by Board Member Baber (La Mesa) to approve a 13-month agreement with Best Best & Krieger to provide General Counsel legal services commencing December 1, 2019 through December 31, 2020. The motion carried by the following vote:

Vote: 4-0

Yes: Chair Mosca (Encinitas), Board Member Baber (La Mesa), Alternate Board Member McCann (Chula Vista), and Board Member Montgomery (San Diego)

No: None

Abstained: None

Absent: Board Member West (Imperial Beach)

8. Approval of Legal Service Engagement for Regulatory Support

Interim Executive Officer Hooven provided an overview of the proposed agreement between the Authority and Tosdal, APC to provide regulatory monitoring, engagement and legal services.

Board questions and comments ensued.

ACTION: Motioned by Board Member Montgomery (San Diego) and seconded by Alternate Board Member McCann (Chula Vista) to approve a one-year agreement with Tosdal, APC to provide regulatory monitoring, engagement and legal services commencing January 1, 2020 through December 31, 2020. The motion carried by the following vote:

Vote: 4-0

Yes: Chair Mosca (Encinitas), Board Member Baber (La Mesa), Alternate Board Member McCann (Chula Vista), and Board Member Montgomery (San Diego)

No: None

Abstained: None

Absent: Board Member West (Imperial Beach)

9. SDRCCEA Implementation Plan – First Draft Review and Discussion

Interim Executive Officer Hooven stated the Implementation Plan would be brought back to the Board at the December 9, 2019 meeting for final discussion and possible adoption.

Mark Fulmer, Principal, MRW & Associates, explained that the Implementation Plan: was a statutory requirement for all new CCAs pursuant to California Public Utilities Code Section 366.2(C)(3); was a regulatory compliance document, not a full business plan; would conform with all legal requirements and follow the content standards of other successfully certified Implementation Plans; described certain administrative elements and policy objectives, but did not require confirmation of final rates, power content and other program aspects; had to be adopted by the Authority Board of Directors by year-end; and the California Public Utilities Commission would have 90 days to certify the Implementation Plan.

Mark Fulmer, Principal, MRW & Associates, reviewed the updates made to the draft Implementation Plan in response to the Board's direction at the October 31, 2019 meeting. The updates included: (1) the Authority would offer two production options – the default would be at least 50% and up to 60% renewable and the voluntary option would be 100% renewable; (2) the Implementation Plan would specify 3 phases occurring in March, July, and November 2021; (3) the Authority would offer competitive generation rates targeting between 2%-4% below SDG&E. The Authority rate structure would match SDG&E's at the outset; (4) the Implementation Plan would describe the interim staff support and use of vendors/consultants with a plan to hire a CEO and staff in 2020/2021; and (5) the Implementation Plan would provide start-up costs information and plan for \$40 million in work capital to support the implementation and early operations of the Authority.

Board questions and comments ensued.

Shawn Marshall, Executive Director, Lean Energy US, provided background on the energy

supply options offered by East Bay Community Energy.

Board questions and comments continued

Matthew Vasilakis, Climate Action Campaign, requested clarification on the energy supply products stated in the Implementation Plan.

Mark Fulmer, Principal, MRW & Associates, provided further information on the energy supply products mentioned in the Implementation Plan.

Interim Executive Officer Hooven explained the Implementation Plan sets a baseline and the decision on the energy supply products may be refined when the Authority goes to market.

Shawn Marshall, Executive Director, Lean Energy US, clarified that the Implementation Plan as written would commit the Authority to a baseline voluntary energy supply product of 100% Renewable Portfolio Standard (RPS) qualified renewable energy but would not prevent the Board from adding another energy supply product option or maximizing the greenhouse gas free energy.

Board questions and comments ensued.

Micah Mitrosky, International Brotherhood of Electrical Workers (IBEW) Local Union 569, spoke regarding energy supply product offerings.

Following Board questions and comments, no action was taken.

10. Adoption of New Authority Name

Interim Executive Officer Hooven provided potential new Authority names for Board consideration and mentioned factors to consider when selecting a new name for the Authority.

Matthew Vasilakis, Climate Action Campaign, proposed new names for the Authority and commented on important components to include in the new name.

Jay Powell, City of San Diego resident, spoke in support of San Diego Community Power as the new Authority name and commented on important components to include in the new name.

Alternate Board Member Campbell spoke in support of San Diego Community Power as the new Authority name.

Board questions and comments ensued.

Charles Miles suggested including 'County' in the new Authority name.

Board questions and comments continued.

Larry Emerson, National City resident, named other organizations with the acronym SDCP.

ACTION: Motioned by Alternative Board Member McCann (Chula Vista) and seconded by

Chair Mosca (Encinitas) to adopt San Diego Community Power as the new name for the San Diego Regional Community Choice Energy Authority. The motion carried by the following vote:

Vote: 4-0

Yes: Chair Mosca (Encinitas), Board Member Baber (La Mesa), Alternate Board Member McCann (Chula Vista), and Board Member Montgomery (San Diego)

No: None

Abstained: None

Absent: Board Member West (Imperial Beach)

11. Board Member and Staff Announcements

Chair Mosca (Encinitas) announced the next San Diego Community Power Board of Directors meeting would be held on Monday, December 9, 2019 at 10:00 a.m. in the City of Encinitas.

12. Adjournment 3:39pm

Chair Mosca adjourned the meeting at 3:39 p.m.

Megan Wiegelman, CMC
Interim Board Clerk

**SAN DIEGO COMMUNITY POWER (SDCP)
BOARD OF DIRECTORS**

City of Encinitas Council Chambers
505 S. Vulcan Avenue
Encinitas, CA 92024

MINUTES

December 9, 2019

The Board minutes are prepared and ordered to correspond to the Board Agenda. Agenda Items can be taken out of order during the meeting.

The Agenda Items were considered in the order presented.

1. Welcome

Chair Mosca called the SDCP Board of Directors meeting to order at 10:05 a.m.

2. Board Roll Call

PRESENT: Chair Mosca (Encinitas), Vice Chair Padilla (Chula Vista), Alternate Board Member Humora (La Mesa), Board Member Montgomery (San Diego), and Board Member West (Imperial Beach)

ABSENT: Board Member Baber (La Mesa)

Also Present: Interim Executive Officer Hooven, La Mesa City Clerk Wiegelman

Chair Mosca led the Pledge of Allegiance.

3. Public Comment For Items Not on the Agenda

Rob Wilder, City of Encinitas resident, spoke regarding implementing community choice aggregation and procuring renewable energy.

CONSENT AGENDA

4. Approval of minutes from the Board of Directors meeting held November 16, 2019 Board Meeting

ACTION: Motioned by Vice Chair Padilla (Chula Vista) and seconded by Board Member West (Imperial Beach) to approve the minutes for the San Diego Community Power Board of Directors meeting held Thursday, November 16, 2019. The motion carried by the following vote:

Vote: 5-0

Yes: Chair Mosca (Encinitas), Vice Chair Padilla (Chula Vista), Alternate Board Member Humora (La Mesa), Board Member Montgomery (San Diego), and Board Member West (Imperial Beach)
No: None
Abstained: None
Absent: None

5. Consideration of the Operations and Administration Report

Interim Executive Officer Hooven proposed a policy for the rotation of Chair and Vice Chair and gave an update on current and future requests for proposals. Interim Executive Officer Hooven said the Board would consider memorandums of understanding for support services and essential policies in the first quarter of 2020.

General Counsel Ryan Baron, BB&K, Counsel, introduced himself and Assistant General Counsel Nicholas Norvell, BB&K, Associate.

Following Board discussion, no action was taken.

6. SDCP Standing Committees – Information and Discussion

Interim Executive Officer Hooven provided information on the Joint Powers Authority Agreement mandated standing committees and other potential standing committees, SDCP's staffing resources, the SDCP organizational needs, and the best practices of other Community Choice Aggregations. Interim Executive Officer Hooven said staff recommended the establishment of a Finance and Risk Management Committee in the first quarter of 2020 and a Community Advisory Committee in the second quarter of 2020. Interim Executive Officer Hooven stated staff would bring back for Board consideration the scope, purpose, and selection process for the standing committees.

Board questions and comments ensued.

General Counsel Baron explained the required composition of the Finance and Risk Management Committee.

Board questions and comments continued.

General Counsel Baron explained the role of Alternate Board Members and potential ways to expand the role of Alternate Board Members.

Matthew Vasilakis, Climate Action Campaign, spoke regarding the mandated Community Advisory Committee.

Following Board discussion, no action was taken.

7. Direction to Finalize Negotiations for Credit and Banking Services

Interim Executive Officer Hooven provided an overview of the request for proposals (RFP) process for credit and banking services and introduced Richard Eyre, Debt Manager, City of San Diego Debt Management Department, and Mike Berwanger, Managing Director, PFM

Financial Advisors, LLC, who reviewed the RFP's scope of services, the procurement process, the final negotiations process, and the anticipated timeline for the Board's consideration of the final agreement. Mike Berwanger, Managing Director, PFM Financial Advisors, LLC, said staff recommended finalizing negotiations for credit and banking services with River City Bank.

Board questions and comments ensued.

Nicole Capretz, Climate Action Campaign, spoke in support of approving staff's recommendation to finalize negotiations for credit and banking services with River City Bank.

ACTION: Following Board discussion, it was the consensus of the Board to direct staff to proceed with finalizing negotiations with River City Bank for credit and banking services.

8. Conduct a Public Hearing to Adopt Implementation Plan and Statement of Intent

Shawn Marshall, Executive Director, Lean Energy US, reviewed the five key elements of the Implementation Plan: energy supply, customer phasing, rate strategy, organizational structure, and financial information. Shawn Marshall, Executive Director, Lean Energy US, stated *Table 4: SDCP Retail Service Accounts (End of Year), 2020-2029*, of the Implementation Plan would be updated to include the total number of accounts.

Board questions and comments ensued.

Mark Fulmer, Principal, MRW & Associates, explained the variance in the power load between Clean Power Alliance and SDCP.

Board questions and comments continued.

Shawn Marshall, Executive Director, Lean Energy US, explained the similarities and differences of an Implementation Plan and an Integrated Resources Plan.

Chair Mosca (Encinitas) opened the hearing for Item 8.

Matthew Vasilakis, Climate Action Campaign, spoke regarding the expectation of the Board to phase out non-RPS qualified and conventional energy sources and the development and implementation of an inclusive local development business plan modeled after East Bay Community Energy.

Jason Anderson, Cleantech San Diego, spoke in support of the adoption of the Implementation Plan.

Josh Brock, CalPine Energy Solutions, spoke in support of the adoption of the Implementation Plan.

Jim Waring spoke regarding energy procurement and providing the public with the information needed to understand the energy procurement process.

Bill Roper, San Diego Strategic Round Table, spoke regarding concerns with the Implementation Plan as written.

Michael Detz, City of Encinitas resident, spoke regarding the marketing challenges SDCP would have with its customers.

Jim Wang spoke regarding the overall goal to reduce greenhouse gases.

Chair Mosca (Encinitas) closed the hearing for Item 8.

Board questions and comments ensued.

ACTION: Motioned by Board Member Montgomery (San Diego) and seconded by Vice Chair Padilla (Chula Vista) to adopt San Diego Community Power's Implementation Plan and Statement of Intent. The motion carried by the following vote:

Vote: 5-0

Yes: Chair Mosca (Encinitas), Vice Chair Padilla (Chula Vista), Alternate Board Member Humora (La Mesa), Board Member Montgomery (San Diego), and Board Member West (Imperial Beach)

No: None

Abstained: None

Absent: None

9. Discussion of SDCP 2020 Staffing Plan

Interim Executive Officer Hooven provided an overview of the SDCP 2020 staffing plan. Interim Executive Officer Hooven said staff recommended the Board authorize the Interim Executive Officer to begin the invitation to bid process for an executive recruitment firm to assist with the CEO recruitment.

Board questions and comments ensued.

ACTION: Following Board discussion, it was the consensus of the Board to direct staff to bring back for Board consideration an item to establish an ad hoc subcommittee for the CEO candidate selection.

Board questions and comments continued.

Interim Executive Officer Hooven and General Counsel Baron explained the hiring process for essential positions.

ACTION: Following Board discussion, it was the consensus of the Board to authorize the Interim Executive Officer to begin the invitation to bid process for an executive recruitment firm to assist with the CEO recruitment.

10. Adoption of 2020 Board Meeting Schedule by Resolution

Interim Executive Officer Hooven provided an overview of the proposed meeting dates, time, and location for the 2020 SDCP Board of Directors meetings.

Board questions and comments ensued.

ACTION: Motioned by Board Member West (Imperial Beach) and seconded by Board Member Montgomery (San Diego) to adopt the Resolution establishing the regular meeting schedule of the San Diego Community Power Board of Directors for calendar year 2020. The motion carried by the following vote:

Vote: 5-0

Yes: Chair Mosca (Encinitas), Vice Chair Padilla (Chula Vista), Alternate Board Member Humora (La Mesa), Board Member Montgomery (San Diego), and Board Member West (Imperial Beach)

No: None

Abstained: None

Absent: None

11. Board Member and Staff Announcements

ACTION: Following Board discussion, it was the consensus of the Board to direct staff to agendize for Board consideration at the January 30, 2020 meeting an item to discuss potential amendments to the original Joint Powers Authority Agreement that would address the concerns of key community partners regarding procured labor, energy procurement, and vendor diversity.

12. Adjournment

Chair Mosca (Encinitas) adjourned the meeting at 11:23 a.m.

Megan Wiegelman, CMC
Interim Board Clerk